

**AMENDMENT TO THE AMENDMENT
IN THE NATURE OF A SUBSTITUTE
OFFERED BY MR. DINGELL**

[Title II—Trustee and fiduciary exceptions]

Page II-5, beginning on line 4, strike subclauses (I)
and (II) through line 16 and insert the following:

1 “(I) does not solicit brokerage
2 business, other than by indicating
3 that it effects transactions in securi-
4 ties in conjunction with advertising its
5 other trust activities; and
6 “(II) does not receive incentive
7 compensation for such brokerage ac-
8 tivities.

Page II-15, line 15, strike “similar” and insert “fi-
duciary”.

Page II-15, line 25, strike the close quotation marks
and following period, and after such line insert the fol-
lowing:

1 “(G) INCENTIVE COMPENSATION.—For
2 purposes of subparagraph (B)(ii), the term ‘in-
3 centive compensation’ means the payment of
4 commissions and similar transaction-related
5 compensation, but does not include, among
6 other methods, the payment of—

7 “(i) a flat annual fee payable on an
8 annual, monthly or quarterly basis;

9 “(ii) a fee based on a percentage of
10 assets under management;

11 “(iii) a flat or capped per order proc-
12 essing fee equal to not more than the costs
13 incurred by the bank for effecting a securi-
14 ties transaction; and

15 “(iv) a one-time referral fee of a
16 nominal fixed dollar amount paid to a
17 bank employee, provided that such referral
18 fee is not contingent on whether the refer-
19 ral results in a transaction.”.